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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	)	
	)	
Performance Measurements and	)	
Reporting Requirements	)	CC Docket No. 98-56
for Operations Support Systems	)	RM-9101
and Directory Assistance	)	
	)	

## REPLY COMMENTS OF THE NATIONAL TELEPHONE COOPERATIVE ASSOCIATION

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July 6, 1998

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## TABLE OF CONTENTS

	PAGE
DISCUSSION	1
CONCLUSION	4

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## REPLY COMMENTS OF THE NATIONAL TELEPHONE COOPERATIVE ASSOCIATION

The National Telephone Cooperative Association ("NTCA") submits these Reply Comments in response to the comments filed on June 1, 1998, in the above captioned matter. With this proceeding the Commission seeks to adopt detailed model performance measurement and reporting requirements by which to analyze competitors' access to incumbent local exchange carrier ("LEC") operations support systems (OSS). NTCA is a national association of approximately 500 LECs. These LECs provide telecommunications services to end users and interexchange carriers throughout rural America.

#### **DISCUSSION**

In its initial comments, NTCA urged the Commission not to establish guidelines that require the deployment of new automated systems in areas where they are not needed. NTCA emphasized that the cost for rural companies to comply with the proposed methodology would

be prohibitive, as the Commission's proposed model calls for the use of electronic interfaces most NTCA members do not possess.<sup>1</sup> NTCA also stated that any adopted guidelines should clearly state that cost recovery will be ensured before the development of processes and/or deployment of new systems is required.<sup>2</sup>

Several parties agree that the enormous costs resulting from the development by *any* incumbent of new processes and data collection methods, as well as potential investment required to deploy the required automated systems, would substantially outweigh any potential benefits to consumers.<sup>3</sup> NTCA concurs with Cincinnati Bell Telephone Company:

To implement new and burdensome requirements merely on speculation that violations could occur in the absence of regulation is bad business practice. Consumers will not benefit from these measuring and reporting requirements, which will unquestionably add real costs for the consumer. Small and mid-size companies should not be saddled with undue regulatory burdens ... There would be far more cost than benefit for companies with small volumes of activity to comply with the measurements and it is unlikely that much of the data would be valuable in determining whether carriers are receiving parity.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Similarly, TDS notes that the vast majority of the new obligations addressed in the Notice and its appendices presume "electronic capabilities that TDS Telecom ILECs simply do not possess." See Comments of TDS at iv. See also, Comments of the National Exchange Carrier Association (NECA) at 2.

<sup>&</sup>lt;sup>2</sup> See Comments of NTCA at 2-3.

<sup>&</sup>lt;sup>3</sup> See, for example, TDS at iii. See also, Comments of Bell Atlantic at 7-8.

<sup>&</sup>lt;sup>4</sup> Comments of Cincinnati Bell Telephone Company at iii-iv. See also, Comments of BellSouth at i: "The Commission's proposal to force federal micromanagement of the measurement process will impose substantial costs on the market. Yet, the Commission ... suggests no benefit from its proposals that will even begin to counterbalance the (continued...)

The complexity and level of detail proposed by the Notice is clearly unwarranted and antithetic to the Act's deregulatory goal.

Many LECs approximate that the proposed reporting requirements for an incumbent and a single competitive LEC (CLEC) would produce more than 300 separate measures,<sup>5</sup> illustrating that the Commission's proposal is, indeed, "far too regulatory." Such guidelines would be particularly burdensome for small and rural LECs given that so many "use largely manual, not automated, OSS processing systems." NTCA reiterates that the Commission should explicitly state that the measurement and reporting guidelines do not apply to rural LECs.<sup>8</sup>

Furthermore, the Commission should heed comments concerning the already established negotiation process contemplated by Congress in Section 251 of the Act. NTCA's comments noted that the stipulation of service standards in the *interconnection agreement* is the basis for enforcement of equal service. Frontier also "views the regulatorily-imposed measurement and

<sup>(...</sup>continued)

concrete costs it would force on the market."

<sup>&</sup>lt;sup>5</sup> See Cincinnati Bell Telephone Company at 9-10. See also, Bell Atlantic at 6.

<sup>&</sup>lt;sup>6</sup> See Dissenting Statement of Commissioner Harold Furchtgott-Roth, FCC 98-72, CC Docket No. 98-56, April 16, 1998.

<sup>&</sup>lt;sup>7</sup> TDS at iii.

<sup>&</sup>lt;sup>8</sup> Similarly, NECA states: "the Commission should exempt small, rural and midsized LECs from the proposed model rules in this NPRM." See NECA at 2.

<sup>9</sup> NTCA at 3.b

reporting requirements as unnecessary," and states that it would "rather have the flexibility to address these needs through ... negotiations and arbitrations and through informal means." Bell Atlantic expresses concern over the possibility the Commission could establish one-size-fits-all measures that would conflict with agreements already negotiated with other carriers. Other parties, too, believe a flexible process is far more appropriate. In short, there is no need for prescribed OSS measurements and reporting requirements. Without sufficient evidence that the negotiation and arbitration process is failing, the Commission's proposed guidelines are, at best, premature.

#### **CONCLUSION**

NTCA concurs with those parties that suggest the Commission's proposal is unwarranted and premature. Nonetheless, in the event that the Commission adopts specific OSS performance and measurement reporting requirements, NTCA urges the Commission to clearly state that cost recovery will be ensured before the development of processes and/or deployment of new systems

<sup>&</sup>lt;sup>10</sup> Comments of Frontier Corporation at 3.

<sup>11</sup> Bell Atlantic at 5, footnote 6.

<sup>&</sup>lt;sup>12</sup> See TDS at 4. See also, Comments of SBC Communications at 2.

<sup>&</sup>lt;sup>13</sup> SBC agrees: "These [interconnection] agreements provide sufficient performance measurements and reporting requirements to allow CLECs,...state commissions, and the Commission to judge whether ILECs are 'providing services...." SBC at 2.

NTCA also reiterates that because the limits of incumbent LECs duties under Section 251 are the subject of pending litigation in the U.S. Supreme Court, the Commission should not establish guidelines at this time.

is required. The Commission should ensure that no undue burdens are imposed on small and rural carriers as a result of this proceeding.

### Respectfully submitted,

# NATIONAL TELEPHONE COOPERATIVE ASSOCIATION

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July 6, 1998

### **CERTIFICATE OF SERVICE**

I, Rita H. Bolden, certify that a copy of the foregoing Reply Comments of the National Telephone Cooperative Association in CC Docket No. 98-56, RM-9101 was served on this 6th day of July 1998, by first-class, U.S. Mail, postage prepaid, to the following persons on the attached list:

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